



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

**DEPARTMENT OF
TELECOMMUNICATIONS & ENERGY**

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July 17, 2003

Cheryl M. Kimball
Keegan, Werlin and Pabian, LLP
21 Custom House Street
Boston, MA 02110

Re: Southern Union Company, D.T.E. 03-64

Dear Ms. Kimball:

Enclosed please find the Department of Telecommunications and Energy's First Set of Information Requests to Southern Union Company ("the Company") issued in the above-captioned matter. Please submit the Company's responses on or before 5:00 p.m., Thursday, July 23, 2003.

Thank you for your attention in this matter.

Sincerely,

Elizabeth A. Cellucci
Hearing Officer

Enc.

cc: Mary Cottrell, Secretary
Carol Wasserman, Division of Energy Resources

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

FIRST SET OF INFORMATION REQUESTS OF
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY
TO SOUTHERN UNION COMPANY
D.T.E. 03-64

Pursuant to 220 C.M.R. § 1.06 (6)(c), the Department of Telecommunications and Energy ("Department") submits to Southern Union Company ("Southern Union" or "the Company") the following Information Requests:

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate three-hole punched page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Please do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn, and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.
5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If the Company finds that any one of these requests is ambiguous, please notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department; also submit one (1) copy of the response to: (1) Elizabeth Cellucci, Hearing Officer; (2) Kevin Brannelly, Rates and Revenues Division; (2) Paul Osborne, Rates and Revenues Division; (3) Jim Powell, Rates and Revenues Division; (4) Becky Hanson, Legal Division.
8. Responses are due by 5:00 p.m., Thursday, July 25, 2003.

- DTE 1- 1 Please refer to the pre-filed testimony of Richard N. Marshall at 3. Itemize the debt obligations that the Company seeks to refinance.
- DTE 1-2 Refer to the Marshall testimony at 3. Please explain the significance of an unsecured Senior Note versus a secured Senior Note.
- DTE 1- 3 Refer to the Marshall testimony at 4. How many shares are there of the existing 9.48% preferred stock?
- DTE 1- 4 Refer to the Marshall testimony at 4. How does the Company determine the maturity date of the Senior Notes indicated?
- DTE 1- 5 Refer to the Marshall testimony at 4. How does the Company determine what the current market conditions are?
- DTE 1- 6 Refer to the Marshall testimony at 4. Why was 8.5% chosen as the ceiling for interest rate expense?
- DTE 1- 7 Refer to the Marshall testimony at 4. Why has the Company not included a call feature on the debt?
- DTE 1-8 Refer to the Marshall testimony at 4-5. Which Company employee or employees will decide the ultimate composition of the proposed debt?
- DTE 1- 9 Please itemize the proposed debt issuance expenses.
- DTE 1-10 Refer to the Marshall testimony at 5. Who are the Company's underwriters?
- DTE 1- 11 Refer to the Marshall testimony at 7. Who are the Company's investment advisors?
- DTE 1-12 Refer to the Marshall testimony at 7. Please elaborate on what the term or terms of the new debt will be, the interest rate or rates, and the approximate savings compared to the present costs.
- DTE 1- 13 Refer to the Marshall testimony at 16. What is the latest date the Company intends to issue the new debt?
- DTE 1-14 Refer to Exhibit SU-2. If the information is available, please provide a revised net plant test calculation as of June 30, 2003. If the necessary information is unavailable at this time, when does the Company anticipate providing the Department with a revised Exhibit SU-2?

